## STATE FIRE AND TORNADO FUND INVESTMENT PERFORMANCE REPORT AS OF JUNE 30, 2005 (REVISED MAY 2006 FOR BANK OF ND FEE ERROR)

(KEVISED WAT 2000 FOR BANK OF NO FE	<u>L Likitoit</u>																			
																	Current	Prior Year	3 Years	5 Years
	June-05				March-05 Allocation Quarter				December-04				September-04 <u>Allocation</u> <u>Quarter</u>				FYTD	FY04	Ended	Ended
	Allocation Quarter			Allocation Quarter							6/30/2005	6/30/2005								
	Market Value	Actual	Policy	Net ROR	Market Value	Actual	Policy	Net ROR	Market Value	Actual	Policy	Net ROR	Market Value	Actual	Policy	Net ROR	Net	Net	Net	Net
LARGE CAP DOMESTIC EQUITY																				
Structured Growth																				
Los Angeles Capital	650,119	2.8%	2.8%	2.80%	492,215	2.2%	2.3%		514,651	2.2%	2.3%		486,381	2.2%	2.3%	-4.14%	7.56%	N/A	N/A	N/A
Total Structured Growth	650,119	2.8%	2.8%	2.80%	492,215	2.2%	2.3%		514,651	2.2%	2.3%	10.37%	486,381	2.2%	2.3%	-4.14%	7.56%	17.58%	7.46%	-9.18%
Russell 1000 Growth				2.46%				-4.09%				9.17%				-5.23%	1.68%	17.88%	7.26%	-10.36%
Structured Value																				
LSV	657.130	2.9%	2.8%	3.58%	544,558	2.4%	2.3%	1.60%	554.202	2.4%	2.3%	8.99%	530,410	2.4%	2.3%	3.19%	18.35%	30.56%	14.73%	14.78%
Russell 1000 Value	,			1.67%	,			0.09%	, .			10.38%	,			1.54%	14.06%	21.13%	11.00%	6.55%
Russell 1000 Enhanced Index																				
LA Capital	1,286,387	5.6%	5.6%	1.52%	1,038,917	4.6%	4.5%	-1.04%	1,085,559	4.7%	4.5%	9.28%	1,036,138	4.6%	4.5%	-1.69%	7.93%	N/A	N/A	N/A
Russell 1000	1,200,307	3.0 /6	3.0 /6	2.05%	1,030,917	4.0 /0	4.3 /0	-1.91%	1,000,009	4.7 /0	4.5 /6	9.80%	1,030,136	4.0 /0	4.5 /6	-1.81%	7.92%	N/A N/A	N/A	N/A
				2.00%				-1.9170				9.00%				-1.0170	7.92 /0	IVA	N/A	IVA
S&P 500 Enhanced Index																				
Westridge	1,279,307	5.6%	5.6%	1.44%	998,928	4.4%	4.5%		1,054,854	4.6%	4.5%	9.47%	1,006,796	4.5%	4.5%	-1.99%	6.58%	N/A	N/A	N/A
S&P 500				1.37%				-2.15%				9.23%				-1.87%	6.32%	N/A	N/A	N/A
Index																				
State Street	424,076			1.35%	300,263			-2.15%	317,309			9.22%	303,042			-1.89%	6.27%	19.01%	8.22%	-2.45%
Total Index	424,076	1.9%	1.9%	1.35%	300,263	1.3%	1.5%	-2.15%	317,309	1.4%	1.5%	9.22%	303,042	1.4%	1.5%	-1.89%	6.27%	19.01%	8.22%	-2.45%
S&P 500				1.37%				-2.15%				9.23%				-1.87%	6.32%	19.11%	8.28%	-2.37%
TOTAL LARGE CAP DOMESTIC EQUITY	4,297,020	40.00/	18.8%	1.99%	3,374,881	44.00/	15.0%	-1.04%	3,526,574	15.2%	15.0%	9.45%	3,362,769	15.1%	15.0%	-1.43%	8.89%	21.46%	9.59%	-0.28%
	4,297,020	18.8%	18.8%		3,374,881	14.9%	15.0%		3,526,574	15.2%	15.0%		3,362,769	15.1%	15.0%					
S&P 500	1			1.37%				-2.15%				9.23%				-1.87%	6.32%	19.11%	8.28%	-2.37%
SMALL CAP DOMESTIC EQUITY	1																	1		
Manager-of-Managers SEI	4 540 400	6.001	6.3%	40401	4 44 4 740	4.00/	5.0%	E 4404	4 200 000	5.2%	5.0%	447401	4 450 0	5.2%	5.0%	-3.64%	9.32%	20.0004	13.32%	N1/4
	1,510,432	6.6%	0.3%	4.24%	1,114,713	4.9%	5.0%	-5.14%	1,208,969	5.2%	5.0%	14.74%	1,159,375	5.2%	5.0%			32.99%		N/A
Russell 2000 + 200bp				4.83%				-4.86%				14.64%				-2.36%	11.64%	35.99%	15.07%	N/A
TOTAL SMALL CAP DOMESTIC EQUITY	1,510,432	6.6%	6.3%	4.24%	1,114,713	4.9%	5.0%	-5.14%	1,208,969	5.2%	5.0%	14.74%	1,159,375	5.2%	5.0%	-3.64%	9.32%	32.99%	13.32%	5.50%
Russell 2000				4.32%				-5.34%				14.09%				-2.86%	9.45%	33.36%	12.81%	5.71%
CONVERTIBLES																				
TCW	-	0.0%	0.0%	N/A	2,245,134	9.9%	10.0%	-4.04%	2,339,526	10.1%	10.0%	8.39%	2,232,253	10.0%	10.0%	-4.37%	N/A	17.50%	N/A	N/A
Merrill Lynch All Convertibles				0.00%				-4.67%				5.37%				-1.05%	N/A	14.16%	N/A	N/A
INTERNATIONAL EQUITY																				
Large Cap - Active																				
Capital Guardian	918,338	4.0%	4.0%	1.21%	888,192	3.9%	4.0%	0.93%	902,597	3.9%	4.0%	9.98%	1,778,848	8.0%	8.0%	-1.80%	10.32%	25.36%	7.44%	-3.80%
LSV	933,857	4.1%	4.0%	2.65%	919,984	4.1%	4.0%	3.70%	908,551	3.9%	4.0%	N/A	-	0.0%	0.0%	N/A	N/A	N/A	N/A	N/A
Transition Account	3	0.0%	0.0%	N/A	4	0.0%	0.0%	N/A	(257)	0.0%	0.0%	N/A	-	0.0%	0.0%	N/A	N/A	N/A	N/A	N/A
Total Large Cap - Active	1,852,198	8.1%	8.0%	1.93%	1,808,181	8.0%	8.0%	2.32%	1,810,891	7.8%	8.0%	10.56%	1,778,848	8.0%	8.0%	-1.80%	13.23%	25.36%	12.39%	7.26%
MSCI EAFE - 50% Hedged				1.97%				1.71%				11.11%				-0.72%	14.41%	26.98%	8.84%	-2.61%
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Small Cap - Value																				
Lazard	225,899	1.0%	1.0%	-1.54%	222,116	1.0%	1.0%	3.09%	254,605	1.1%	1.0%	16.08%	238,986	1.1%	1.0%	0.30%	18.18%	43.71%	N/A	N/A
Citigroup Broad Market Index < \$2BN				0.14%				4.58%				16.82%				-0.82%	21.33%	47.95%	N/A	N/A
Small Cap - Growth	1								1									1		
Vanguard	227,496	1.0%	1.0%	0.94%	215,216	1.0%	1.0%	2.92%	247,911	1.1%	1.0%	18.98%	227,049	1.0%	1.0%	0.42%	24.11%	44.67%	N/A	N/A
Citigroup Broad Market Index < \$2BN	,			0.14%	,			4.58%	,			16.82%	,			-0.82%	21.33%	47.95%	N/A	N/A
TOTAL INTERNATIONAL EQUITY	2,305,592	10.1%	10.0%	1.42%	2,245,513	9.9%	10.0%	2.45%	2,313,407	10.0%	10.0%	12.53%	2,244,882	10.1%	10.0%	-1.35%	15.34%	29.26%	10.62%	-2.10%
MSCI EAFE - 50% Hedged	2,300,092	10.170	10.076	1.42%	2,240,013	3.3/0	10.0%	1.71%	2,313,407	10.070	10.070	11.11%	2,244,002	10.170	10.070	-0.72%	14.41%	26.98%	8.84%	-2.10% -2.61%
WOO! LIVE - 50/8 Houged	1			1.31 70				1.7 1 70				. 1. 1 1 70				0.12/0	14.41/0	20.30/0	0.04/0	-2.01/0
DOMESTIC FIXED INCOME	1																	1		
Core Bond																				
Western Asset	4.263.977	18.7%	18.3%	3.01%	4.193.940	18.5%	16.7%	-0.84%	4.055.873	17.5%	16.7%	1.34%	3.929.204	17.6%	16.7%	3.51%	7.14%	2.42%	7.36%	8.59%
	4,203,311	10.7 /0	10.3 /0	3.01%	4,133,340	10.5 /6	10.7 /6	-0.48%	4,033,673	17.576	10.7 /6	0.96%	3,929,204	17.070	10.7 /6	3.20%	6.80%	0.32%	5.75%	7.40%
Lehman Aggregate	1			3.01/0				-0.40%	1			0.90%				3.20%	0.00%	0.32 %	5.75%	7.40/0
Index																				
Bank of ND	3,946,029	17.3%	18.3%	2.39%	4,954,551	21.9%	25.0%		5,113,946	22.1%	25.0%	0.40%	4,944,668	22.2%	25.0%	2.54%	4.59%	0.07%	5.83%	7.36%
Lehman Intermediate Gov/Credit (1)	1			2.48%				-0.87%	1			0.44%				2.71%	4.80%	-0.05%	5.82%	7.35%
BBB Average Quality	1																	1		
Wells Capital (formerly Strong)	4,243,117	18.6%	18.3%	3.26%	2,199,545	9.7%	8.3%	-1.15%	2,281,261	9.9%	8.3%	2.30%	2,202,885	9.9%	8.3%	4.51%	9.14%	1.18%	9.20%	N/A
Lehman US Credit BAA	, ,			3.57%	,,	,0		-1.57%	,,-3.	,0		1.69%	,,	,0		4.76%	8.60%	1.96%	9.42%	N/A
																	0.0070			
TOTAL DOMESTIC FIXED INCOME	12.453.123	54.5%	55.0%	2.78%	11,348,037	50.2%	50.0%	-0.88%	11,451,080	49.5%	50.0%	1.11%	11.076.757	49.7%	50.0%	3.27%	6.38%	0.79%	7.00%	7.45%
Lehman Gov/Credit	12, 100, 120	0 110 / 0	00.070	3.44%	11,010,001	00.270	00.070	-0.67%	,,	10.070	00.070	0.80%	,	1011 /0	00.070	3.56%	7.26%	-0.72%	6.41%	7.70%
	1							2.0.70	1			2.50,0				2.30,0	0/0	3270		
CASH EQUIVALENTS	1								1									1		
Bank of ND	2,293,743	10.0%	10.0%	0.78%	2,287,630	10.1%	10.0%	0.69%	2,299,906	9.9%	10.0%	0.53%	2,221,762	10.0%	10.0%	0.44%	2.46%	1.20%	1.74%	2.68%
90 Day T-Bill	2,233,143	10.078	10.070	0.72%	2,207,030	10.170	10.078	0.57%	2,233,300	J.J/0	10.070	0.48%	2,221,702	10.070	10.078	0.37%	2.15%	0.98%	1.55%	2.62%
y - <del>-</del>	1							2.0.70	1			2. 10/0				2.3.70		3.0070		0_,0
TOTAL FIRE & TORNADO FUND	22,859,910	100 0%	100 0%	2.02%	22,615,907	100.0%	100 0%	-0.95%	23,139,461	100.0%	100 0%	4.83%	22,297,799	100 0%	100.0%	0.70%	6.66%	9.98%	7.95%	4.28%
POLICY TARGET BENCHMARK	22,000,010	100.070	100.070	2.45%	22,010,007	100.070	. 00.0 /0	-1.16%	20,100,401	100.070	700.070	4.03 %	22,231,133	100.070	. 00.0 /0	1.22%	6.74%	8.00%	7.33%	4.19%
. CLOT TANGET BENOTIMATA				2.70/0				1.10/0				7.17/0				1.22/0	0.17/0	0.00%	7.00/0	7.13/0

NOTE: Monthly returns and market values are preliminary and subject to change.

(1) Prior to April 1, 2004, the benchmark was the LB Govt/Credit index.